

EXHIBIT B

CONFIDENTIAL

 Quill Medical, Inc.

November 8, 2000

Gregory L. Ruff, M.D.
201 Longwood Drive
Chapel Hill, NC 27514

Dear Greg:

This Letter Agreement sets forth the mutual understanding regarding the terms of the agreement between Gregory L. Ruff ("Ruff") and Quill Medical, Inc. (the "Company") regarding the Company permitting Ruff to use the "Fabrication Device" (as defined below) during operating room procedures and the agreement of Ruff to indemnify, defend and hold harmless the Company for any liability incurred by the Company in connection with Ruff's use of the Product (as defined below).

WHEREAS, the Company has created a "Fabrication Device" for fabricating barbed sutures, which Ruff desires to use in operating room procedures. The Company hereby grants Ruff a license to use the Fabrication Device in operating room procedures to be performed from time to time.

In consideration for the Company granting Ruff the right to use the Fabrication Device in the operating room procedures, Ruff agrees to indemnify, defend and hold harmless the Company (and its respective officers, directors, employees, agents and affiliates) from and against any third-party claim, suit, action or proceeding brought against the Company that is based upon or arises out of the use of the Fabrication Device by Ruff in the operating room procedures, and from and against any and all liabilities, losses, costs, damages, and expenses (including reasonable attorneys' fees) associated with any such claims or actions.

This Letter Agreement constitutes the entire agreement between the Company and Ruff and supersedes any prior understandings, agreements, or representations by or among Ruff and the Company, written or oral, to the extent they relate in any way to the subject matter hereof.

This Letter Agreement will be governed by and construed in accordance with the laws of the State of North Carolina without giving effect to any choice or conflict of law provision or rule (whether of the State of North Carolina or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

Quill Medical, Inc. 2630 Meridian Parkway, Suite 3018, RTP, NC 27713
Telephone: (919) 808-4268, Fax: (919) 808-4838, Email: mmegaro@quillmedical.com

BEST AVAILABLE COPY

EXHIBIT B

• Page 2

CONFIDENTIAL

November 8, 2000

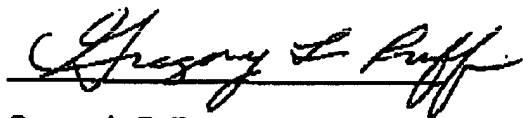
If the foregoing is acceptable, please so indicate by signing and dating this Letter Agreement below and return an executed original of this Letter Agreement to the undersigned. This Letter Agreement, when executed by Ruff and returned to the Company, will constitute a binding agreement between Ruff and the Company that will be enforceable in accordance with its terms and that cannot be modified, amended, or terminated (except as provided herein) other than by a written instrument executed and delivered on behalf of Ruff and the Company.

Very truly yours,

QUILL MEDICAL, INC.

By: Matthew A. Megaro
President

ACKNOWLEDGED AND AGREED:



Gregory L. Ruff

Date: 11/10/00

BEST AVAILABLE COPY